

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of)

PUBLIC UTILITIES COMMISSION)

DOCKET NO. 2008-0273

Instituting a Proceeding To)
Investigate the Implementation of Feed-in)
Tariffs.)

**COUNTY OF HAWAII'S MOTION TO INTERVENE OR TO PARTICIPATE IN THE
PUBLIC UTILITIES COMMISSION'S DOCKET NO. 2008-0273,
INSTITUTING A PROCEEDING TO INVESTIGATE THE IMPLEMENTATION OF
FEED-IN TARIFFS**

AND

CERTIFICATE OF SERVICE

PUBLIC UTILITIES
COMMISSION

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FILED

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The Administration of the COUNTY OF HAWAII, a political subdivision of the State of Hawaii ("County"), by and through its attorneys, Lincoln S.T. Ashida and William V. Brilhante Jr., hereby moves this honorable Public Utilities Commission ("Commission") to authorize the County to intervene or to participate in Docket No. 2008-0273, a proceeding to investigate the implementation of feed-in tariffs.

The County desires to intervene or to participate for the following reasons:

1. The County is a participant in the Hawaii Clean Energy Initiative and has actively participated in efforts to further renewable energy development in Hawaii;
2. The County is also a party in Docket No. 2007-0176 to investigate the implementation of intra-governmental wheeling of electricity from renewable sources. The October 20, 2008 comprehensive agreement referenced in the Commission Order initiating this investigation is expected to result in a suspension of Docket No. 2007-0176 for 12 months to explore the use of feed-in tariffs instead of intra-governmental

wheeling and the County desires to continue participation in the development of feed-in tariffs.

3. This Docket No. 2008-0273 to investigate proposed feed-in tariffs for the HECO companies has relevance to any feed-in tariffs is related to the County's ability to *provide needed governmental services to the public in a manner consistent with the public interest, including providing renewable energy to the grid.*

4. The County, as the governing body for all of the residents of Hawai'i, has a vested interest in any impacts that renewable energy resources would have on the public and overall economy of the island, specifically in the delivery of safe, affordable, sustainable and reliable indigenous energy.

5. The County has a direct interest in renewable energy, as a potential producer and a large consumer.

6. The County has opportunities for joint ventures with renewable power generators and has a strong interest in generating renewable power at County facilities. Regarding renewable energy, Hawai'i Revised Statutes ("HRS") § 46-19 states that "[e]ach of the Counties may participate in the development of alternative energy resources defined as geothermal, solar, wind, ocean power, biomass and solid waste in joint venture with an end user or public utility pursuant to a plan for the direct utilization of the energy sources by an end user or public utility; provided that should a joint venture partner not be available the counties may proceed with the development of alternate energy sources for their own consumption or for the furtherance of a plan for direct utilization by an end user or public utility."

7. As one of the largest consumers of electricity on the island and the local government body representing the resident customer-members of Hawai'i Electric Light Company ("HELCO"), the County is also concerned about the manner in which electricity services may be planned, priced and provided to Hawai'i Island. The County's concerns include but are not limited to its role in land use planning, permitting and energy emergency preparedness for disaster and market disruptions.

In support of its Motion, the County represents and asserts it meets the Commission's requirements to intervene or to participate in the docket. Pursuant to the Order Initiating Investigation under Docket No. 2008-0273, any interested individual, entity, agency, or community or business organization may file a motion to intervene or participate without intervention in this docket not later than twenty days from the date of the Order, pursuant to Hawai'i Administrative Rules ("HAR") § 6-61-57 (3)(B). Since this motion to intervene or to participate is filed within twenty days from said Order, the County respectfully requests its motion to intervene or to participate be granted under HAR 6-61-57(1).

I. NATURE OF THE COUNTY'S STATUTORY OR OTHER RIGHT TO PARTICIPATE IN THE HEARING

The interest of the County in this docket is its status as a working group member of the Hawai'i Clean Energy Initiative, a major consumer of electricity on the Island of Hawai'i, and as the governing body for all Hawai'i residents, who comprise HELCO's customers. Under the Hawai'i County Charter, the County is mandated to protect the welfare of its residents and to maintain, protect and advance the interests of the public.

II. NATURE AND EXTENT OF THE COUNTY'S PROPERTY, FINANCIAL, AND OTHER INTEREST IN THE PENDING MATTER

The County also has property and financial interest in this proceeding as a major consumer and potential renewable energy producer of electricity on the island. In an attempt to reduce the County's dependency on imported fossil fuels by its citizens, exploration into the production of renewable energy is an important component of its energy future. Accordingly, the County is exploring several potential renewable energy distributed generation projects that may be impacted by development of feed-in tariffs. These include a 60 KW AC photovoltaic power system for the West Hawai'i Civic Center and a proposed waste to energy facility being studied for future implementation. Additionally, the County is also concerned about the overall economic health of Hawai'i' economy and the negative impacts attributed to its over-reliance on imported oil.

III. EFFECT OF THE PENDING ORDER AS TO THE COUNTY'S INTEREST

This Order for Docket No. 2008-0273 opens this investigative docket to investigate the implementation of feed-in tariffs. Although this Docket No. 2008-0273 is related to the October 20, 2008 agreement entered into by the Governor of the State of Hawai'i, the State of Hawai'i Department of Business, Economic Development and Tourism, the State of Hawai'i Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs and the HECO Companies, the policies and agreements from this investigative docket will affect any feed-in tariffs developed for Hawai'i County, and touch on areas of public interest and concern so the County and its constituents will be affected.

IV. OTHER MEANS AVAILABLE WHEREBY THE COUNTY'S INTEREST WILL BE PROTECTED

There are no other means available whereby the County's interest will be protected. None of the parties known to the County have the same interests as the County as the governing entity for the County of Hawai'i and its residents.

V. EXTENT TO WHICH THE APPLICANT'S INTEREST WILL NOT BE REPRESENTED BY THE EXISTING PARTIES

Although the Department of Commerce and Consumer Affairs, Division of Consumer Advocacy has been named a party to this proceeding, the County has a specific desire and interest to participate in the feed-in tariff discussions and investigations as a potential non-utility renewable energy generator. The County is also one of the largest consumers of electricity on Hawai'i and has a strong desire to use more indigenous renewable energy and reduce its dependence on imported oil. It is important for the County to stabilize price spikes related to the oil price volatility and the negative impact high oil prices have on County services and economic prosperity.

VI. EXTENT TO WHICH THE APPLICANT'S PARTICIPATION CAN ASSIST IN THE DEVELOPMENT OF A SOUND RECORD

The County has knowledge of utility programs from its participation in previous dockets related to renewable energy and distributed generation such as Docket 2007-0176. The County has unique knowledge of its own renewable energy projects and potential projects, which would be affected by any proposed feed-in tariffs. Additionally, the County has knowledge of the social, economic, and political conditions within HELCO's service area and has been an active participant in the HELCO Integrated Resource Planning (IRP-3) process the past

two years. Finally, the County's knowledge via the expertise of its energy coordinator and other specialists can assist in a sound investigation and development of effective feed-in tariffs that will accelerate renewable energy development in Hawai'i.

VII. EXTENT TO WHICH THE APPLICANT'S PARTICIPATION WILL BROADEN THE ISSUES OR DELAY THE PROCEEDINGS

The County's participation as an intervenor or participant will not broaden the issues or delay the proceedings. The County seeks intervention to comment on the issues of vital importance to the island and its citizens, most of whom are customers of the island electric utility.

VIII. EXTENT TO WHICH THE APPLICANT'S INTEREST IN THE PROCEEDING DIFFERS FROM THAT OF THE GENERAL PUBLIC

As stated in paragraph V., above, the County's interest in the proceeding differs from that of the general public because the County is one of the largest users of utility power on the island, it has the capacity to generate renewable power at numerous County facilities, and it is directly impacted by oil price volatility as it relates to economic impacts to its operating budget which provides essential public services to its residents and visitors.

IX. WHETHER THE APPLICANT'S POSITION IS IN SUPPORT OF OR IN OPPOSITION TO THE RELIEF SOUGHT

The County of Hawai'i is supportive of the development of acceptable feed-in tariffs to accelerate the addition of renewable energy from new sources and to encourage increased development of alternative energy projects. Feed-in tariffs will provide predictability and certainty with respect to the future prices to be paid for renewable energy and how much energy the utility will acquire. The

County desires to participate in the process to determine the best design for feed-in tariffs that support the Hawai'i Clean Energy Initiative, considering such factors as categories of renewables, sizes or locational limits for qualifying projects, how to manage and identify project development milestones relative to the queue of projects wishing to take the feed-in tariff terms, what annual limits should apply to the amount of renewables allowed to take the feed-in tariff terms, what factors to incorporate into the prices set for feed-in tariff payments, and the terms, conditions, and duration of the feed-in tariff that shall be offered to all qualifying renewable projects.

For all of the foregoing reasons, the County respectfully requests the Commission to grant the County intervenor or participant status in Docket No. 2008-0273.

DATED: Hilo, Hawai'i NOV 13 2008.



WILLIAM V. BRILHANTE JR.
Attorney for COUNTY OF HAWAII

CERTIFICATE OF SERVICE

I hereby certify that a copy of the **COUNTY OF HAWAI'I'S MOTION TO INTERVENE OR TO PARTICIPATE IN THE PUBLIC UTILITIES COMMISSION'S DOCKET NO. 2008-0273, INSTITUTING A PROCEEDING TO INVESTIGATE THE IMPLEMENTATION OF FEED-IN TARIFFS** was served upon the following parties, by causing copies hereof to be mailed, postage prepaid, and properly addressed to each such party, as noted below:

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DATED: Hilo, Hawai'i NOV 13 2008.



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